

FISCAL NOTE

HB 619 - SB 745

February 17, 2005

SUMMARY OF BILL: Removes jurisdiction over residential property from the authority of the Tellico Reservoir Development Agency.

ESTIMATED FISCAL IMPACT:

Forgo Local Govt. Revenues – Exceeds \$3,000,000

Assumptions:

- Half of the 11,000 acres originally acquired by the Tellico Reservoir Development Agency from the TVA have been developed and generate over \$6,000,000 in property tax revenue annually.
- In the absence of this bill, the remaining acreage would eventually generate an equivalent amount of property tax revenue.
- In the presence of this bill, industrial, commercial, and recreational development could continue on agency property.
- Half of the property tax revenue that would be generated in the absence of this bill would be foregone due to the loss of residential development rights.
- Local governments would still receive property tax revenues from already developed residential areas but the prohibition on further residential development would result in unrealized property tax revenue potential.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director

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